

ROLE OF SMALL AND MEDIUM SCALE INDUSTRIES IN EMPLOYMENT GENERATION IN PARBHANI DISTRICT

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Abstract: India lives in villages and rural economy is the heart of National Economy. In India near about 68.80 (provisional data of 2011 census) people lives in villages and their life is fully depends upon agriculture sector. Living standard of these people is comparatively low with urban people. Employment is generated only by agriculture and allied activities in rural area. Considering these circumstances Small Scale Industrial sector plays an important role in Indian economy in terms of employment generation. Main advantage of this small scale industrial sector is that, it is labour intensive and not capital intensive and India has rich human resources. In the present situation of financial crises and employment problem is re-emphasizing the need of the development of self employment and development. The small scale industry gives opportunities to the less educated people and local human resources of the society.

Small and medium industries are treated as engine of the growth for the developing countries like India. As per the available statistics (fourth census of MSME sector) this sector employees an estimated 59.7 million persons spread over 26.1 million enterprises and the labour intensity in this sector is almost 4 times higher than the large scale enterprises. Taking in to consideration the importance of small and medium industrial sector in employment generation a study has been taken in this area with special reference of Parbhani District of Marathwada Region in Maharashtra State.

Keyword: Human resources, Development, Rural Economy, SMEs

1. INTRODUCTION:

Rural human population is facing the greatest challenges of day today life. People of India wanted sustainable and balance development forever. Despite of good progress over the past few generation billions of people in acute poverty and suffer with grossly inadequate resources- education, health services, infrastructure, land and credit facility etc.

The most important and essential task of development is to provide opportunities to these rural people and to give them chance of better life. According to the world development report of 1980, the development of any country depends upon quality of human capital and human development activity.

2. OBJECTIVES OF THE RESEARCH PAPER

- a) To study the of small and medium scale industry.
- b) To study the role of Small and medium enterprises in employment generation.

3. METHODOLOGY

The data has been collected by primary sources and secondary sources.

a) Primary sources:-

Researcher visits different industries situated in Parbhani district. Data has been collected from working micro and small enterprises in urban and rural areas.

b) Secondary sources:-

The data has been collected from District Industrial Centre Parbhani. Books and journals are referred for data collection.

4. SMALL AND MEDIUM ENTERPRISES (INDUSTRIES):-

Father of our nation Mahatma Gandhi dreamed development of rural India through small scale enterprises. He thought that, small scale industries will help the poor people to improve quality of life in rural India, because these industries are not capital intensive but these are basically labour intensive. India is a country with rich human resources. Small and medium industries are also known as small and medium scale enterprises. The small and medium enterprise contributes 45% to the national economy of the total output and 40 % to the total export of the country. SME sector represents over 90% of enterprises in the most of developing countries. The World Bank Group approved more than \$10 billion in SME support programme. To accelerate growth and reduce poverty international agencies and the World Bank Group provides large assistance to small and medium enterprises in developing countries. To the economic growth promoting equitable development micro, small and medium enterprises have been accepted as engine of generating employment growth. Major share of industrial production and export are credited by small and medium industrial sector in most of the countries. In India industries

which are known as the micro and small industries have always been effective tools of social and economic development. Without basic educational qualification and other requirements these industries generate employment greater than higher scale industries and played major role in production and export. SME accounts 34% total export and 39% in manufacturing. It is recognised as the most employment intensive segment by the National Programme of the Government. The enactment of micro, small and medium enterprise development (MSMED) Act 2006 was landmark initiative taken by the Government of India to enable the SME's to become globally competitive and address the global market.

5. ROLE OF SMALL SCALE INDUSTRIES IN EMPLOYMENT GENERATION:-

Small and medium scale Industries play an important role in terms of employment generation and growth of Indian economy. Small and medium enterprises have achieved steady progress from last decades it facilitate the tapping of resources which otherwise would remain unused. In low capital cost small and medium enterprises create employment opportunities especially in rural areas. Small and medium enterprises help to alleviate poverty and propel sustainable growth in rural areas.

The problem of surplus manpower in non agricultural sector, small scale industries provide additional employment opportunities for growing population in rural areas.

6. HUMAN RESOURCES DEVELOPMENT

Human Resources development is one of the important concepts contributes in accelerating economic growth. Development of people is the essence of any human resource development effort. All forms of development social, economic, technological and agricultural are ultimately meant to serve the people in terms of improving their happiness through better standard of living. It is an important for all other development activities like plans policies and programmes. Human resources development leads to better and efficient utilization of the available resources with the human being. They hold the key for economic development through enabling people become more productive. Human resources are just as important as physical and financial resources. Economic development of any country depends upon development of population through participation, empowerment and better access of human resources. Many developing countries are becoming aware of the need of involvement of the people in economic activity. The objective of human resource development is to enhance competency in individual and groups. Developing human resources is never ending process because development in competency is the driver of any developing nation.

Human resource development is major contributor to accelerate economic growth of country. Development must be woven around people, not people around development. Development should empower individuals and groups. In economic terms HRD in the early years 1950-60 was equated with human capital formation HRD is the most important

assets of any economic activity and it can be developed and increase to an unlimited extent. Now any developing country on the allegation of poverty to the most possible extent through the human resources development strategies for the purpose investment in education and health services and basic level and creation of employment and self employment opportunities at the later become very critical. In the fast changing environment HRD is the need of any nation which wants to be dynamic and growth oriented and to success. A well trained, highly skilled and knowledgeable human resources country can become competent in the global environment. Development of human resources of the country creates progress and development to the country and benefits spread all over the country.

For the upliftment of living standard of rural population of the country a number of policies were made and implemented by the Indian government in spite of this poverty has been one of the persisting social evil hunting the rural masses in India. The biggest challenge to the Indian Government is that, a large people resides in rural area are still living below poverty line and the task of uplifting them has become constitutional responsibility of the local, state and central government. For the development of rural people the Government of India made various schemes and policies through small and medium scale industries.

7. PROFILE OF PARBHANI DISTRICT

Research has been selected Parbhani District for her research work. Parbhani is earlier known as 'Prabhavati nagar'. It is one of the eighth districts in the Marathwada region of Maharashtra state. Parbhani district covers an area of about 6250.58 Sq.km. The district is well known for agriculture. The district is backward in industrial growth. As per 2011 census provisional data of population of the district is 1835982, out of which 68.97 % rural population while the rest is urban. Parbhani district lies between 18.45 and 20.10 North Latitudes and 76.13 & 77.39 East Longitudes. The district is bounded on the north by Hingoli district, east by Nanded district, South by Latur and West by Beed and Jalna district. The hills on the north east form part of the Ajanta Hill ranges which passes through Jintur Tahsil. The hills on the southern side are the Balaghat Hill Ranges. The district is at an average height of 357 m from mean sea level.

Demographic Features:-The district is divided into 9 administrative Tahsils (sub-units) those are:-Parbhani, Gangakhed, Sonpeth, Pathri, Manwath, Palam, Selu, Jintur, and Purna.

8. POSITION OF SMALL SCALE INDUSTRIES IN PARBHANI DISTRICT:-

Table no.1 Registered Small scale industries in Parbhani District

Sr.No.	Period	No. of Units	Inc./Dec in Number of units	Investment (Rs. in lakhs)	Inc./Dec in number of Rs. in lakhs	Employment (in persons)	Inc./Dec in number of persons	Cumulative growth in employment
1	2008-09	765		8436		6809		
2	2009-10	823	58	8487	51	8992	2183	2183
3	2010-11	857	35	10537	2050	9478	486	2669
4	2011-12	1696	739	23987	13450	13133	3655	6324

Abbreviations

SMEs: Small and Medium Enterprises

9. ANALYSIS OF THE TABLE

From the table no.1, it can be inferred that the picture of the micro and small scale industrial sector has registered constantly higher growth rate in all four years i.e. 2008, 2009, 2010 and 2011. The data shows in the table that industrial units in the year 2008-09 are only 765 in overall district. Investment in these units was 8436 lakhs and 6809 persons got employment in these units. In the year 2009-10 there was 823 units were working in research area. There was increased by 58 industrial units, investment by 51 lakhs and employment by 2183 persons. In the year 2010-11, 857 units were engaged in production and service sector. As compare to the previous year major increase in investment by Rs. 2050 lakhs but fewer people i.e. 486 were engaged with industries in this year. In the year 2011-12, 1696 units were working in the district there was 739 units were increased, investment was raised by 13450 lakhs and employment increased by 3655 persons in these units.

10. FINDINGS:-

Cumulative growth in employment in the year 2011-12 was 6334 persons in micro and small scale industries in the Parbhani district. As per the provisional data of 2011 census the population of the district is 1835982, It reveals that only 0.35% persons are engaged in micro and small scale industries in Parbhani district.

11. CONCLUSION

In these years investment in this sector was increasing as well as increased in no. of units and the employment generation through these units. It plays a dual role, production of these units is a source of final goods as well as it is a source of heavy industries in the form of input material.

It can be referred that the picture of micro and small scale industries is not encouraging. There is need of more employment generation units for human resource development and to enhance social economic condition.

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